

THE FINANCIAL SITUATION.

Whatever may be the hopes of speculators who are operating for a decline in prices, it is reasonably clear that while existing conditions remain as they are, no great fall in values need be expected. The strength of the stock market is that there is no weak "long" interest in it that can be shaken out. According to trustworthy data, the open accounts in commission houses of speculators for the rise are less than at any time for two years. Whatever the elements of danger there are in the situation seem to be thoroughly understood by the great mass of investors and operators. The cautious public temper that has produced dulness has prevented trouble.

Moreover, it cannot be denied that the influences affecting the market are, at the moment, more favorable than they were some weeks ago. The rates for the use of money have occurred all over the winter without belt, giving the growing crop ample protection. It is, of course, too early to form decisive opinions of the probable yield of winter wheat or of any agricultural product of the current year, save cotton. But the fall of snow over the West and Middle West is, nevertheless, an important matter and must be recognized as such. It was the opinion of most professional observers of the stock market in January of this year that railroad earnings would begin to decline; not because the roads would do a poor business, but because earnings would compare with the enormous figures of similar earnings in 1901. Railroad earnings have not only fallen off, but have increased; and they have increased despite the very great diminution of deliveries of grain, showing that the country passing over the railway lines has been popularly underestimated. The feeling of timidity among investors is noticeably less, even if speculators are still cold. Up to two weeks ago the bond market had been dull for three months previously. Week before last the bond market became firm. Last week it was strong and active. Concerning railway stocks in general the point is made by advocates of higher prices that while the average price of railroad stocks has not risen during the past year, the net earnings of these corporations have shown very great increases; though it is said, on the other hand, that these increases in net earnings were needed in order to make railroad stocks worth what they were selling for. It has been observed, however, in the past that an elevation of price levels of railway securities generally keeps pace with increased earnings. It is a fact which will be surprising to many that up to the present hour the net earnings of the railroad systems of the country have advanced to an higher point, comparatively, than have the prices of railroad stocks. If, therefore, earnings do not fall to the level of stock prices, the argument is not illogical that prices must advance to the level of earnings.

The decision of the Ways and Means Committee of the House of Representatives to proceed at once with a bill cutting off the internal revenue war taxes is an exceedingly helpful circumstance, even if the relief afforded to the monetary situation by reason of it may be postponed until July 1. It is possible that an earlier date may be chosen as that on which the law shall take effect, and if so, so much the better. Inasmuch as the bill is not one which will meet with any partisan opposition and being a general measure of repeal, will not create jealousies in any quarter, its passage through Congress will probably be speedy. It is assumed that the Ways and Means Committee in reporting this bill have such knowledge of the probable fate of many of the schemes now urged in Congress for "spending the surplus" that there is no danger that the Government will suffer from lack of money if the bill passes. For all that, it is to be hoped that the matter has been most carefully considered. For many years previous to the Spanish-American conflict the underlying cause of the financial vexations of the Government, with its resultant disturbance of the country's business, was insufficient revenue. This it was that necessitated the frequent bond issues, started the "endless chain" of greenbacks and produced the Treasury's frantic struggle for gold for redemptive purposes. Peremptory need of funds for use in the war with Spain forced through Congress a measure of internal revenue taxation which could not have been passed at any other time but by a desperate struggle. The financial miseries of the Government ended on the day the bill became a law; and there will be many people with memories who will be sorry to see the law repealed. So far as strictly speculative conditions are concerned, it is to be observed that the "holders" suffer for want of an aggressive leader, such, for instance, as Mr. Woodhull was in 1861, when, it is declared, conditions were much the same as they are to-day. The attacks upon the market by professional operators have been and continue to be feeble, scattered and quickly retreated from; but perhaps these gentlemen are consulting themselves with the reflection that a big bear captain will come out of the den in good season, and that the fact that he has not yet appeared is evidence that the time is not ripe for his forays.

A special and perhaps a better reason for market strength, however, is the changed attitude that has been displayed in certain powerful quarters toward the financial situation. References are not had to the so-called Standard Oil party or to any change of heart which its members may or may not have experienced, but to entirely different interests. These interests have been for a long time in a conservative in their views about the market. They have not been leeches, but they have been by no means bullish. They have been declaring that it was a time to go slow, and have advised their friends, who pressed for advice, to keep out of the market. They are now talking differently. They say that if we have or clearly good things this summer there are certain stocks, at least, that will sell at a good higher price. They say that one of the financial geniuses to whom that one of the stocks concerned in this prophesy is that of the Southern Pacific Railway. Up to the present time, the determination of those in control of this system has been to spend out of the earnings of the road since the stock required to place the property in first rate shape, paying to dividends until the process was completed, or nearly so. The Southern Pacific Railway, however, has been maintaining a policy of paying dividends since 1890, and has been paying 4 per cent. interest on its bonds. The bonds could be easily refunded at the present time at a 4 per cent. loan and the effect of the usual adjustment in the shape of premiums to produce a saving, and this would mean a saving of nearly \$1,000,000 in the Southern Pacific Railway charges. The Southern Pacific Railway up to June 30, 1901, earned on its stock, over and above all charges, 4 1/2 per cent. in

increase in net earnings for the first half of the current year were over \$2,000,000 or 1 per cent. more upon the stock. If its net increase for the last half of the year is only \$1,000,000, another one-half per cent. will be added. If the next year begins with three-quarters of 1 per cent. more saved in fixed charges by the refunding process, the stock of the road will then be earning nearly 8 per cent. Now a blanket mortgage for the purpose of bond refunding can easily further provide for the few additional millions that will be needed to complete the Southern Pacific's improvements, leaving the earnings of the road free from dividends. Such technical denials of this scheme as have been made in the last week have only concerned themselves with the time at which the proposition will be announced. It is perfectly well understood in high financial circles that the plan is maturing and that it will probably be announced before the end of the month. This will enable the Southern Pacific management to begin paying dividends at the rate of three or four per cent. upon Southern Pacific stock.

For the first time in the history of the American metal market, copper has become a speculative commodity in this country. It has long been a speculative commodity in Great Britain, but dealings in it here have only been for cash or in the regular course of mercantile business. Some weeks ago the reasons were set forth in this column which, it was believed, justified the conclusion that it would be as hard to keep the price of copper down to 11 cents a pound as it was difficult to uphold it at 17 cents a pound. The enormous dealings and rapid fluctuations of the price of the article upon our Metal Exchange point to the probability that the great block of copper formerly held by the Amalgamated company has been sold, and that its present holders are desirous of getting the best price they can for it by manipulating the open market. Considerable interest was manifested in Wall Street during the week over conferences which, it was said, were going on between the representatives of the Rio Tinto and Amalgamated companies; but it would seem as if Wall Street had had experience enough in the past year with efforts to "control" and "restrict" the production and price of copper metal. Amalgamated Copper stock just now is a good thing to leave alone.

It is not at all unlikely that the decision of the Supreme Court of the United States, which is expected at Washington to-day, on the question of jurisdiction in the Northern Securities case, will have less market effect one way or the other than is commonly supposed. Whatever the decision is, it will not end the litigation. The proceeding now before the court is really only a preliminary motion. If the court holds that it has jurisdiction to hear the case, a final settlement of the whole matter will be arrived at sooner than it otherwise would. And the Northern Securities people, or some of them, say that they consider their case so strong that they really hope that the court will take it up once. If the court holds that it has no jurisdiction, then the Governor of Minnesota and his brother Governors will probably inaugurate other proceedings. Wall Street in general expresses itself of the opinion that the lawyers for the company "made a better argument" than did the lawyers for Minnesota at the hearing last week, and, hence, has made up its mind, for the most part, that the court will declare itself without jurisdiction; but the real reason for this view is the somewhat cynical and not altogether respectful belief that the court will not want to bother with the case unless it is forced to, and that an easy way out of the difficulty will be to relegate it to the lower tribunals. Obviously, the case against the Northern Securities Company has not been helped by the dogmatic character of some of the proceedings that have been being against the company in the Minnesota courts. There is no reason, however, to alter the judgment previously expressed here, that long before the legal aspect of these matters is finally cleared the great influences affecting the prices of all the railway stocks directly or indirectly concerned in it will be those naturally and broadly flowing from the rising or falling general prosperity of the country.

PHILIP KING.

FINANCIAL AND COMMERCIAL.

UNITED STATES AND STATE BONDS (IN 1000s).				
State.	Name.	Open.	High.	Low.
U. S. 4s.	1000	101 1/2	101 3/4	101 1/4
U. S. 4s.	1000	101 1/2	101 3/4	101 1/4
U. S. 4s.	1000	101 1/2	101 3/4	101 1/4
U. S. 4s.	1000	101 1/2	101 3/4	101 1/4
U. S. 4s.	1000	101 1/2	101 3/4	101 1/4

RAILROAD AND OTHER BONDS.

State.	Name.	Open.	High.	Low.
Pa.	1000	101 1/2	101 3/4	101 1/4
Pa.	1000	101 1/2	101 3/4	101 1/4
Pa.	1000	101 1/2	101 3/4	101 1/4
Pa.	1000	101 1/2	101 3/4	101 1/4
Pa.	1000	101 1/2	101 3/4	101 1/4

RAILROAD AND OTHER BONDS.

State.	Name.	Open.	High.	Low.
Pa.	1000	101 1/2	101 3/4	101 1/4
Pa.	1000	101 1/2	101 3/4	101 1/4
Pa.	1000	101 1/2	101 3/4	101 1/4
Pa.	1000	101 1/2	101 3/4	101 1/4
Pa.	1000	101 1/2	101 3/4	101 1/4

RAILROAD AND OTHER BONDS.

State.	Name.	Open.	High.	Low.
Pa.	1000	101 1/2	101 3/4	101 1/4
Pa.	1000	101 1/2	101 3/4	101 1/4
Pa.	1000	101 1/2	101 3/4	101 1/4
Pa.	1000	101 1/2	101 3/4	101 1/4
Pa.	1000	101 1/2	101 3/4	101 1/4

RAILROAD AND OTHER BONDS.

State.	Name.	Open.	High.	Low.
Pa.	1000	101 1/2	101 3/4	101 1/4
Pa.	1000	101 1/2	101 3/4	101 1/4
Pa.	1000	101 1/2	101 3/4	101 1/4
Pa.	1000	101 1/2	101 3/4	101 1/4
Pa.	1000	101 1/2	101 3/4	101 1/4

RAILROAD AND OTHER BONDS.

State.	Name.	Open.	High.	Low.
Pa.	1000	101 1/2	101 3/4	101 1/4
Pa.	1000	101 1/2	101 3/4	101 1/4
Pa.	1000	101 1/2	101 3/4	101 1/4
Pa.	1000	101 1/2	101 3/4	101 1/4
Pa.	1000	101 1/2	101 3/4	101 1/4

State.	Name.	Open.	High.	Low.
Pa.	1000	101 1/2	101 3/4	101 1/4
Pa.	1000	101 1/2	101 3/4	101 1/4
Pa.	1000	101 1/2	101 3/4	101 1/4
Pa.	1000	101 1/2	101 3/4	101 1/4
Pa.	1000	101 1/2	101 3/4	101 1/4

RAILROAD AND OTHER BONDS.

State.	Name.	Open.	High.	Low.
Pa.	1000	101 1/2	101 3/4	101 1/4
Pa.	1000	101 1/2	101 3/4	101 1/4
Pa.	1000	101 1/2	101 3/4	101 1/4
Pa.	1000	101 1/2	101 3/4	101 1/4
Pa.	1000	101 1/2	101 3/4	101 1/4

RAILROAD AND OTHER BONDS.

State.	Name.	Open.	High.	Low.
Pa.	1000	101 1/2	101 3/4	101 1/4
Pa.	1000	101 1/2	101 3/4	101 1/4
Pa.	1000	101 1/2	101 3/4	101 1/4
Pa.	1000	101 1/2	101 3/4	101 1/4
Pa.	1000	101 1/2	101 3/4	101 1/4

RAILROAD AND OTHER BONDS.

State.	Name.	Open.	High.	Low.
Pa.	1000	101 1/2	101 3/4	101 1/4
Pa.	1000	101 1/2	101 3/4	101 1/4
Pa.	1000	101 1/2	101 3/4	101 1/4
Pa.	1000	101 1/2	101 3/4	101 1/4
Pa.	1000	101 1/2	101 3/4	101 1/4

RAILROAD AND OTHER BONDS.

State.	Name.	Open.	High.	Low.
Pa.	1000	101 1/2	101 3/4	101 1/4
Pa.	1000	101 1/2	101 3/4	101 1/4
Pa.	1000	101 1/2	101 3/4	101 1/4
Pa.	1000	101 1/2	101 3/4	101 1/4
Pa.	1000	101 1/2	101 3/4	101 1/4

RAILROAD AND OTHER BONDS.

State.	Name.	Open.	High.	Low.
Pa.	1000	101 1/2	101 3/4	101 1/4
Pa.	1000	101 1/2	101 3/4	101 1/4
Pa.	1000	101 1/2	101 3/4	101 1/4
Pa.	1000	101 1/2	101 3/4	101 1/4
Pa.	1000	101 1/2	101 3/4	101 1/4

RAILROAD AND OTHER BONDS.

State.	Name.	Open.	High.	Low.
Pa.	1000	101 1/2	101 3/4	101 1/4
Pa.	1000	101 1/2	101 3/4	101 1/4
Pa.	1000	101 1/2	101 3/4	101 1/4
Pa.	1000	101 1/2	101 3/4	101 1/4
Pa.	1000	101 1/2	101 3/4	101 1/4

RAILROAD AND OTHER BONDS.

State.	Name.	Open.	High.	Low.
Pa.	1000	101 1/2	101 3/4	101 1/4
Pa.	1000	101 1/2	101 3/4	101 1/4
Pa.	1000	101 1/2	101 3/4	101 1/4
Pa.	1000	101 1/2	101 3/4	101 1/4
Pa.	1000	101 1/2	101 3/4	101 1/4

RAILROAD AND OTHER BONDS.

State.	Name.	Open.	High.	Low.
Pa.	1000	101 1/2	101 3/4	101 1/4
Pa.	1000	101 1/2	101 3/4	101 1/4
Pa.	1000	101 1/2	101 3/4	101 1/4
Pa.	1000	101 1/2	101 3/4	101 1/4
Pa.	1000	101 1/2	101 3/4	101 1/4

London & Paris Exchange, Ltd.

HEAD OFFICE:
BASILDON HOUSE, MOORGATE STREET,
LONDON, ENGLAND.

Stocks, Shares and Mining Properties

MINING SHARES ON 20% MARGIN

South African Mines a Specialty

CABLE "PLENARIY-LONDON" BEDFORD McNEILL CODE.

COMMERCIAL TRUST COMPANY

OF NEW JERSEY.

United States Mortgage and Trust Company

69 CEDAR STREET, NEW YORK.

FIDELITY TRUST CO.

NEWARK, N. J.

MORTON TRUST COMPANY

38 NASSAU STREET.

MANHATTAN TRUST CO.

WALL ST., cor. NASSAU, NEW YORK.

CITY TRUST CO.

OF NEW YORK.

THE TRUST CO. OF AMERICA

149 BROADWAY, NEW YORK.

THE TRUST CO. OF AMERICA

149 BROADWAY, NEW YORK.

THE TRUST CO. OF AMERICA

149 BROADWAY, NEW YORK.

THE TRUST CO. OF AMERICA

149 BROADWAY, NEW YORK.

THE TRUST CO. OF AMERICA

149 BROADWAY, NEW YORK.

THE TRUST CO. OF AMERICA

149 BROADWAY, NEW YORK.

THE TRUST CO. OF AMERICA

149 BROADWAY, NEW YORK.

ATLANTIC TRUST CO.

ATLANTIC BUILDING, Wall and William Streets.

ATLANTIC TRUST CO.

ATLANTIC BUILDING, Wall and William Streets.

ATLANTIC TRUST CO.

ATLANTIC BUILDING, Wall and William Streets.

ATLANTIC TRUST CO.

ATLANTIC BUILDING, Wall and William Streets.

ATLANTIC TRUST CO.

ATLANTIC BUILDING, Wall and William Streets.

ATLANTIC TRUST CO.

ATLANTIC BUILDING, Wall and William Streets.

ATLANTIC TRUST CO.

ATLANTIC BUILDING, Wall and William Streets.

ATLANTIC TRUST CO.

ATLANTIC BUILDING, Wall and William Streets.

ATLANTIC TRUST CO.

ATLANTIC BUILDING, Wall and William Streets.

ATLANTIC TRUST CO.

ATLANTIC BUILDING, Wall and William Streets.

ATLANTIC TRUST CO.

ATLANTIC BUILDING, Wall and William Streets.

ATLANTIC TRUST CO.

ATLANTIC BUILDING, Wall and William Streets.

ATLANTIC TRUST CO.

ATLANTIC BUILDING, Wall and William Streets.

ATLANTIC TRUST CO.

ATLANTIC BUILDING, Wall and William Streets.

ATLANTIC TRUST CO.

ATLANTIC BUILDING, Wall and William Streets.

ATLANTIC TRUST CO.

ATLANTIC BUILDING, Wall and William Streets.

Moffat & White.

Members New York Stock Exchange.

"Bell" Telephone

STOCKS.

Redmond & Co.

High Grade Investment Securities

TRACY & CO.

BANKERS.

Vermilye & Co.

BANKERS.

S. B. CHAPIN & CO.

STOCKS, BONDS, GRAIN.

N. W. HALSEY & CO.

BANKERS.

F. P. MOORE & CO.

STOCKS, BONDS, GRAIN.

E. B. HAVENS & CO.

BANKERS.

JACOB BERRY & CO.

STOCKS, BONDS, GRAIN.

Stoppani & Hotchkiss.

STOCKS, BONDS, GRAIN.

Stoppani & Hotchkiss.

STOCKS, BONDS, GRAIN.

Stoppani & Hotchkiss.

STOCKS, BONDS, GRAIN.

Stoppani & Hotchkiss.

STOCKS, BONDS, GRAIN.

Stoppani & Hotchkiss.

STOCKS, BONDS, GRAIN.

Stoppani & Hotchkiss.

STOCKS, BONDS, GRAIN.